

NationsBank Private Client G Personal Financial Statement Comparative Worksheet

Name of Borrower/Sponsor: Kenneth L. & Linda P. Lay Prepared by Christopher H. Willis
 Statement Date: 12/31/96 Date Preparer 8/25/97

Description of Assets Amounts in (000's)	Actual 3/3/95	Actual 1/31/96	Actual 12/31/96	Comments
PART 1: ASSET VALUATIONS				
Cash	79	1,267	89	
Securities:				
Government & Municipal Obligations			3	
Listed Stocks & Bonds	33,174	45,084	60,988	includes \$46.7mm of liquidity of KLL&LPL (mostly Enron shares)
ENRON STOCK OPTIONS	14,047	18,656	32,793	Net value (current price less option price)
Receivables				
Notes & Mortgages			1,849	
Accounts Receivables				
Income Tax Refund(s)				
Real Estate				
Personal Residence(s)	9,035	10,139	8,119	3 residences in Houston, Aspen CO, & Galveston, TX
Other 100% owned R/E	1,536	1,536	3,448	investment properties
Equity in R/E Partnerships				
Other				
Equity in Partnerships (Exo, R/E, Oil or Gas)	420	835		
Cash Value of Ins. & Annuities	0	0		
Retirement Plans, Deferred Comp., IRAs	1,728	2,689	3,093	Savings plans, KEOUGH, IRAs, etc
DEFERRED INCOME ACCOUNT	2,576	2,996	3,493	deferred income account
Personal Property	1,358	1,456	454	furnishings/personal property for residences
Other Assets	324	226	359	automobiles/boats, other
Total Assets	64,277	84,884	114,688	
PART 2: LIABILITIES				
Credit Cards				
Installment Accounts				
Other Accounts Payable	22			
Notes Payable to Bank				
Unsecured	584	985	750	NB
Secured	5,583	4,850	3,525	Other
Other Notes Payable	21,310	20,533	30,000	NB stock secured
To Related Parties (Non-R/E)	0	0	0	due to Enron Corp. Lay has a \$4MM unsecured CLN there
Other (Non-R/E)				
Real Estate Liabilities				
Mortgages on Personal Residence(s)	5,078	6,136	5,099	
Mort's / Notes other 100% owned R/E	700	1,039	745	
Notes Due to R/E Partnership/Corps				
Other direct R/E debt				
Taxes Payable				
Income Taxes	421	251		
Other Taxes				
Unrealized Asset Appreciation	4,668	7,489	13,117	Deferred tax liabilities
Oil & Gas Related Debt				
Margin Acct / Due to Brokers				
Loans against Insurance / other Policies				
Other Direct Liabilities		51	97	
Total Liabilities	38,366	41,334	53,333	
STATED NET WORTH:	25,911	43,550	61,355	
Contingent Liabilities			750	
PART 3: CASH FLOW RECONCILEMENT				
Beginning Cash		79	1,267	
Net Recurring Cash Flow	1,775	477	412	
Non Recurring Sources (Uses)	-5,500	-2,485	1,191	
Financing Sources (Uses)	4,500	6,699	0	
Unexplained Change in Cash	854	5,879	425	
Ending Cash	79	1,267	89	

NationsBank Private Client Group Personal Cash Flow Worksheet

Name of Borrower/Sponsor:
Statement Date:

Kenneth L. & Linda P. Lay
12/31/96

Prepared by:
Date Prepared:

Christopher H. Willis
8/25/97

Cash Flows (\$000s)	Actual Yr. 1994	Actual Yr. 1995	Actual Year 1996	Pro Forma Year 1997/98	Comments
Recurring Sources of Cash					
1. Salaries, Bonuses	3,799	3,362	7,797		1. Salary & Bonus from Enron & options
2. Dividends & Interest	694	171	434		2. 1994 liquid assets transf. to KLL & LPL
3. Stock Options	4,569	4,938			3. Option income (not broken out in 1996)
4. Recurring Real Estate Inflows:					4.
Net Rents - NOI	103	63			
R/E Partnership Distributions					
Other Recurring - NOI					5.
5. Other Partnership Distributions					6. taxable & non-taxable
6. Other (incl. Bus. income, Trust Income, NOI, Tax Refunds, Gifts, etc.)	163	168			
7. SUBTOTAL	9,328	8,702	8,231	0	7. (lines 1 through 6)
Recurring Uses of Cash					
8. Carrying Costs - Non-income R/E	437	915			8. Home Maint. Inwood, Aspen & Galveston
9. Planned Investments, Partnership Contributions & Capital Calls		454			9. Greenhouse Expenses
10. Estimated Living Expenses	2,478	2,020	2,500		10. From borrower
11. Estimated Taxes	3,349	1,716	2,569		11. Est. 39% of income
12. Alimony	77	78	88		12.
13. SUBTOTAL	6,341	5,525	5,157		13. (lines 8 through 12)
14. CASH FL. AVAIL. FOR DEBT SERV.	2,987	3,177	3,074		14. (line 7 - line 13)
15. Real Estate Debt Service	150	150	155		15. Investment Prop. debt payments
16. Home Mortgage Payments	530	530	530		16. Inwood, Aspen, Galveston, River Oaks
17. Interest on Subject Loan		2,020	1,977		17.
18. Sched. Cont. Liab. Pymts.					18.
19. Other Scheduled Debt Service	532				19.
20. SUBTOTAL - DEBT SERVICE	1,212	2,700	2,662		20. (lines 15 through 19)
21. SUBTOTAL - RECURRING USES	7,553	8,225	7,819		21. (line 13 + line 20)
22. NET RECURRING CASH FLOW	1,775	477	412		22. (line 7 - line 21)
23. DEBT SERVICE COVERAGE	2.46	1.18	1.15	#DIV/0!	23. (line 14 + line 20)
Non-Recurring Sources (Uses)					
24. Real Estate Sales					24.
25. New Real Estate Investment	-2,000	-1,650			25. R/E other homes
26. Sale of Mkt. Sec.		1,605	402		26.
27. Purchase of Mkt. Sec.	-3,500	-1,038			27.
28. Other purch. & capital outlays		-1,076			28. partnerships, unclassified, transfer clearing
29. Other		-326	789		29. Misc. wage expenses
30. SUBTOTAL	-5,500	-2,485	1,191	0	30. (lines 24 through 29)
31. NET CASH FLOW BEFORE FINANCING ACTIVITIES	-3,725	-2,008	1,603		31. (line 22 - line 30)
Financing Sources (Uses)					
32. Real Estate Financing		-1,320			32. Aspen residence
33. Margin Financing	4,500	11,716			33.
34. Homestead Financing		3,260			34. NB construction
35. Discretionary Debt Payments		-6,765			35. notes payable
36. Contingent Liability Payments					36.
37. Other		-192			37. personal loan, ST receivable
38. SUBTOTAL	4,500	6,699	0	0	38. (lines 32 through 37)
39. NET CASH FLOW (DEFICIT)	775	4,691	1,603	0	39. (line 31-38)
ACTUAL CHANGE IN CASH					

NationsBank Private Client Group Residual Asset Valuation Worksheet

(\$ in 000's)

Borrower/Sponsor: Kenneth L. Linda P. Lay (inc Family Partnership)
Statement Date: 12/31/96

Prepared by: Chris Willis
Date Updated: 8/25/97

A		B	C	D	E	F	
PART I: Asset Valuations and Secured Debt/Description of Assets		Owner's Stated Carrying Value	Adjustment Ratios	NationsBank Adjusted Values	Less: Debt(s)	Residual Asset Values	Comments
1.	Cash & Equivalents	92	100%	92		92	Primarily NB accounts
2.	Deferred compensation	3,493	100%	3,493		3,493	
3.	Listed stocks & bonds (+KLL&LPL Invest	60,988	75%	45,741	34,275	11,466	\$46.7mm in KLL&LPL - \$14.2mm in Ken & Lind
4.							
5.							
6.	Notes Receivable	1,849	50%	925		925	
7.	Stock Options	32,793	80%	26,234		26,234	Exerciseable Options(net of cost)Enron&Compaq
8.	Primary Residences	8,119	80%	6,495	5,099	1,396	
9.	Other 100% owned RE	3,448	80%	2,758	745	2,013	
10.							
11.							
12.							
13.	Personal Assets	454	30%	136		136	Autos, home furnishings, etc.
14.	Retirement Assets	3,093	70%	2,165		2,165	IRA's, Keough plan
15.							
16.	Other	359	25%	90		90	Miscellaneous, various
Subtotals:		114,688		88,130	40,119	48,011	
PART II:		G		H		J	
	Unsecured Debts & Creditors			Total Unsecured Availability		Unsecured Outstandings	
	Accrued Taxes & Other Liabilities					97	
	Deferred Taxes - Options					13,117	
						750	
	NB					13,964	
	Subtotals:			0	0		
K	Contingent Liabilities expected to be paid						
	Subtotals:			0	0	0	
ADJUSTED NET WORTH						34,047	

BOA/FBI/LAY: 30129